GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:1335
ANSWERED ON:08.12.2004
SURVEY TO SET UP AGRO AND FOREST BASED INDUSTRIES
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Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a): whether any survey has been conducted for setting up of agro-based, forest-based, herbal & medicinal plant-based industry in the country;

(b): if so, the details and the outcome thereof; and

(c): if not, the reasons therefor?

Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a)to(c): Specific surveys have not been conducted, according to available information in this regard. However, to promote agro and rural industries including agro-based forest-based, herbal and medicinal plant-based industry in the country, the Government has been implementing the Rural Employment Generation Programme (REGP)through the Khadi and Village Industries Commission(KVIC). Under this programme, an entrepreneur can establish a village industry by availing of margin money assistance from the KVIC and loans from any public sector scheduled commercial bank, for projects with a maximum cost of Rs. 25 lakh.

The permissible margin money assistance is as detailed in the table below:

Margin Money Assistance under REGP

Sl.No.	Category of Beneficiary	Project Cost	Margin money Assistance
1	General	Upto Rs. 10 lakh	25% of project cost
2	SC/ST/Women/Ex-Serviceman/NE Region/Hill Areas	Upto Rs. 10 lakh	30% of project cost
3	General	Rs. 10 lakh and Upto Rs. 25 lakh	Rs. 2.5 lakh + 10% of balance project cost
4	SC/ST/Women/Ex-Serviceman/NE Region/Hill Areas	Rs. 10 lakh and Upto Rs. 25 lakh	Rs. 3 lakh + 10% of balance project cost

Under the REGP, the number of agro and food processing industries and forest-based industries including herbal and medicinal plant- based industries set up in the country and employment generated in this sector during last three years is as in the table below:

Year	Agro and food processing industries	Forest based industry, including herbal and medicinal plant based industry

	No.of projects set up	Employment (No.of persons) set up	No.of projects	Employment (No.of persons)
2001-02	5467	71846	1607	23528
2002-03	5330	79578	3666	53320
2003-04	5130	32560	2371	118235